



**OFFICE OF THE UNDER SECRETARY OF
DEFENSE**

**4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000**

29 DEC 2003



**PERSONNEL AND
READINESS**

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Government Charge Card Disciplinary Guide for Civilian Employees

This memorandum implements 10 U.S.C. § 2784a, as amended by section 1009 of the National Defense Authorization Act (NDAA) for Fiscal Year 2004, Public Law 108-136. Additionally, it is a follow-up to my memorandum dated April 21, 2003, implementing the "Government Charge Card Disciplinary Guide for Civilian Employees."

Section 2784a, as amended, now requires that the Department of Defense (DoD) issue regulations providing for appropriate corrective actions, including removal in appropriate cases, for employees who violate the regulations or are negligent or engage in misuse, abuse or fraud with respect to a Defense travel card. This act also requires an assessment of penalties. The Bob Stump National Defense Authorization Act for Fiscal Year 2003, Public Law 107-314, previously required that DoD issue regulations providing for appropriate corrective actions for employee government charge card violations. Existing Component disciplinary policies satisfy these requirements; however, the sample range of suggested penalties in the attached updated guidance ensures policies reflect consistent application.

Enhancements were made to the Defense Civilian Personnel Data System (DCPDS) to document formal disciplinary and/or adverse actions taken for misconduct related to government charge cards. You were advised of these enhancements by my memorandum dated July 18, 2003. Please ensure continued use of these codes so we can support Office of Management and Budget requirements to provide quarterly updates on disciplinary and adverse actions related to government charge cards.

DoD Components must take action to implement the attached charge card disciplinary guide for civilian employees as necessary and advise my office of your actions. In addition, please advise my office of any additional administrative action, or any recommended legislation your Component considers necessary to effectively take disciplinary action against DoD civilian employees for improper, fraudulent, or abusive use of DoD travel cards. We anticipate that this information will be combined with similar information regarding military personnel and used to satisfy congressional

reporting requirements as outlined in subsection 1009(e) of Public Law 108-136. Please furnish this office by January 9, 2004, the information as described above.

My point of contact on this matter is Ms. Debra Buford at (703) 696-1263.

A handwritten signature in black ink, appearing to read "Ginger Groeber", is positioned above the printed name.

Ginger Groeber
Deputy Under Secretary
Civilian Personnel Policy

Attachment:
As stated

DISTRIBUTION: ASSISTANT G-1 FOR CIVILIAN PERSONNEL POLICY,
DEPARTMENT OF THE ARMY
DIRECTOR, PLANS, PROGRAMS, AND DIVERSITY,
DEPARTMENT OF THE NAVY
DEPUTY DIRECTOR, PERSONNEL FORCE MANAGEMENT,
DEPARTMENT OF THE AIR FORCE
DIRECTOR FOR MANPOWER AND PERSONNEL (J-1),
JOINT CHIEFS OF STAFF
DIRECTOR, PERSONNEL AND SECURITY,
DEPARTMENT OF DEFENSE INSPECTOR GENERAL
DIRECTOR, HUMAN RESOURCES MANAGEMENT, DEFENSE
COMMISSARY AGENCY
CHIEF, HUMAN RESOURCES MANAGEMENT DIVISION,
DEFENSE CONTRACT AUDIT AGENCY
DIRECTOR FOR CORPORATE RESOURCES,
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CHIEF, CIVILIAN PERSONNEL DIVISION, DEFENSE
INFORMATION SYSTEMS AGENCY
CHIEF, OFFICE OF HUMAN RESOURCES,
DEFENSE INTELLIGENCE AGENCY
DIRECTOR, HUMAN RESOURCES,
DEFENSE LOGISTICS AGENCY
EXECUTIVE DIRECTOR, HUMAN RESOURCES, DEFENSE
CONTRACT MANAGEMENT AGENCY
DIRECTOR, HUMAN RESOURCES, DEFENSE SECURITY
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CHIEF, CIVILIAN PERSONNEL DIVISION, DEFENSE THREAT
REDUCTION AGENCY
DIRECTOR, HUMAN RESOURCES,
NATIONAL IMAGERY AND MAPPING AGENCY
DIRECTOR, HUMAN RESOURCES SERVICES,
NATIONAL SECURITY AGENCY
DIRECTOR, PERSONNEL CENTER, DEPARTMENT OF DEFENSE
EDUCATION ACTIVITY
DIRECTOR FOR PERSONNEL AND SECURITY,
WASHINGTON HEADQUARTERS SERVICES
DIRECTOR, CIVILIAN HUMAN RESOURCES MANAGEMENT,
UNIFORMED SERVICES UNIVERSITY OF THE HEALTH
SCIENCES
DIRECTOR FOR HUMAN RESOURCES, NATIONAL GUARD
BUREAU
COMMANDER, HEADQUARTERS, ARMY AND AIR FORCE
EXCHANGE SERVICE

**DEPARTMENT OF DEFENSE
GOVERNMENT PURCHASE AND TRAVEL CHARGE CARD DISCIPLINARY
GUIDE FOR CIVILIAN EMPLOYEES**

References

- A. 10 U.S.C. § 2784a, as enacted by section 1008 of Pub. L. 107-314, and amended by section 1009 of Pub.L. 108-136
- B. 10 U.S.C. § 2784, as amended by section 1007 of Pub. L. 107-314
- C. Inspector General Memorandum dated September 25, 2002, "Guidance for the Investigation of Fraud, Waste, and Abuse Involving the Use of Purchase Cards and Travel Cards" (Appendix 1)
- D. Assistant Secretary of Defense (Command, Control, Communications and Intelligence) Memorandum dated November 4, 2002, "Suspension of Access to Classified Information Due to Abuse or Misuse of Government Charge Cards" (Appendix 2)
- E. Sample of a Proposed Table of Potential Charge Card Offenses and Remedies (Appendix 3)

A. Purpose

This guide further implements references A and B for DoD civilian employees.

B. Scope

This guide applies to civilian employees, including those paid from non-appropriated funds, employed in the Office of the Secretary of Defense, the Military Departments, the Chairman of the Joint Chiefs of Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense agencies, the DoD Field Activities, and all other organizational entities within the Department of Defense (hereafter referred to collectively as the "DoD Components").

C. Policy

It is DoD policy that improper, fraudulent, abusive, or negligent use of a government purchase or travel charge card is prohibited. This includes any use of government charge cards at establishments or for purposes that are inconsistent with the official business of DoD or with applicable regulations. DoD policy continues to require supervisors, who receive information indicating that a civilian employee has engaged in any misuse of a government charge card, take appropriate action, including an investigation if indicated. The supervisor of the responsible individual(s) will be informed in a timely manner so that appropriate corrective or disciplinary/adverse action may be taken. In addition, civilian personnel who fail to satisfy an indebtedness arising from the use of a

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government travel charge card or those who fail to do so in a timely manner may be subject to corrective or disciplinary/adverse action.

The intent of this guide is to ensure that management emphasis is given to personal accountability for government charge card misuse. There is no intent to deprive managers and supervisors of their discretion in handling government charge card misuse in a manner appropriate to each individual case. Likewise, there is no intent to revise Component disciplinary policy. The circumstances of each individual case will determine the appropriate type of corrective or disciplinary/adverse action, if any, which may be imposed. Generally, a progression of increasingly severe penalties is appropriate from minor instances of misuse to more serious cases. In some instances, the infraction may warrant the most severe penalty for first offenses. Clearly, there is no single response appropriate for all cases. While the merits of each case may be different, timeliness, proportionality, and the exercise of good judgment and common sense are always important. Where applicable, full consideration must be given to the relevant "Douglas Factors" as provided in Douglas v. Veteran's Administration, 5 MSPB 313 (1981).

Each DoD Component must now submit documentation to the Deputy Under Secretary of Defense (Civilian Personnel Policy) (DUSD(CPP)) outlining its policy/regulation and how the policy/regulation meets the statutory requirements in section 1009 of the National Defense Authorization Act for Fiscal Year 2004, with respect to its civilian employees. Likewise, this information should include additional administrative action, or recommended legislation the Component considers necessary to effectively take disciplinary action against DoD civilian employees for improper, fraudulent, or abusive use of DoD travel cards. This information will be consolidated with comparable information regarding military personnel and will be used to comply with the comprehensive reporting requirement in section 1009. A sample table of potential charge card offenses and remedies has been included with this guide at reference E.

Government charge card offense(s) should be framed in a manner that appropriately describes the actions that constitutes the misconduct. The supporting Human Resources Office should assist the appropriate supervisor who is considering corrective or disciplinary/adverse action on the selection of the charge and appropriate penalty based on Component past practice, regulatory guidance, applicable case law and good judgment. Coordination with the appropriate legal office should occur early in the process, as required by Component policy.

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D. Relationship to Security Clearances

The review of the security clearance (or the modification or revocation of such security clearances in light of this review) of the individual involved in credit card misuse or abuse cases is not a disciplinary action and should not be treated as such. However, this does not preclude a separate and independent review of such misuse or abuse by the appropriate security managers in accordance with references C and D. Modification or revocation of a security clearance will result in appropriate action, which could include reassignment or removal for failure to meet or maintain a condition of employment.

E. Responsibilities

The Heads of the DoD Components shall:

- 1) Provide documentation responding to the provisions of this guide to the DUSD(CPP) not later than January 9, 2004;
- 2) Ensure that commanders and supervisors are informed on the potential misuses and abuses of government charge cards and their responsibilities to have suspected misuses and abuses appropriately investigated; and
- 3) Ensure that commanders and supervisors are trained to take appropriate corrective or disciplinary/adverse action with respect to offenses involving government charge cards.



INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
400 ARMY NAVY DRIVE
ARLINGTON, VIRGINIA 22202-4704

SEP 25 2002

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Guidance for the Investigation of Fraud, Waste, and Abuse Involving the
Use of Purchase Cards and Travel Cards

In accordance with recommendations of the Department of Defense Charge Card Task Force final report issued June 27, 2002, the following guidance is effective immediately and will remain in effect until included in a DoD issuance.

In its final report, the Task Force recommended that the Inspector General of the Department of Defense issue guidance regarding the notification of supervisors and security managers when a purchase card or travel card holder comes under investigation for misconduct associated with the use of charge cards.

When a Defense Criminal Investigative Organization or Department of Defense organizational element responsible for investigating potential misconduct involving the travel or purchase card initiates an investigation into allegations of fraud, misuse, or abuse of authority regarding a purchase card or a travel card, the cardholder's commander or second-line supervisor, as appropriate, and security manager shall be notified. Wherever possible, this notification shall take place within 72 hours of the initiation. The term "commander" means a commissioned or warrant officer who, by virtue of rank and assignment, exercises primary command authority over a military organization or prescribed territorial area that under pertinent official directives is recognized as a "command."

Components should incorporate this guidance into their respective regulations/directives.


Joseph E. Schmitz

cc:

Acting Director, Defense Criminal Investigative Service
Commander, US Army Criminal Investigation Command
Director, Naval Criminal Investigative Service
Commander, Air Force Office of Special Investigations